

March/April 2021

Re: Personal Tax Letter of Engagement

We appreciate the opportunity to work with you and advise you on income tax matters. In order to ensure an understanding of our mutual responsibilities, we ask all clients for whom we prepare tax returns to agree to the following arrangements.

We will prepare your 2020 personal income tax return(s) based on information that you provide to us. We will not audit or otherwise verify the data you submit, although we may ask you for clarification of some of the information.

It is your responsibility to provide us with all the information required to prepare complete and accurate returns. You have the final responsibility for the income tax return(s) and, therefore, you should review it carefully before you approve it for filing.

You represent that you will provide us with accurate and complete information necessary to prepare your tax return(s). This includes informing us of all interests you held in foreign properties with a cost of over \$100,000 at any time in the year, as well as all income from any foreign properties regardless of their aggregate value. We ask that you confirm this here by marking 'Yes' or 'No' to the following statement:

"I held interests in foreign properties with an aggregate cost in excess of \$100,000 CDN" Yes ___ No ___

This also includes informing us of a disposition of a property (or properties) in 2020 that you are claiming a principal residence exemption for. We ask that you confirm by marking 'Yes' or 'No' to:

"I disposed of a property in 2020 that I will be claiming a principal residence exemption" Yes ___ No ___

If CRA selects your return(s) for review, they can request supporting receipts for a maximum of 6 years past the assessment date. It is your responsibility to keep these receipts. Please note that CRA does not accept credit card statements as supporting evidence – you will need to hold on to original receipts. Any adjustments proposed by CRA are subject to certain rights of appeal. In the event of such tax examinations, we will be available upon request to represent you.

The law imposes various penalties when taxpayers understate their tax liability. We cannot be responsible for interest and penalties assessed against you in connection with your income tax affairs.

Our business respects the privacy of information that can be used to identify you as an individual. Our privacy policy can be viewed online at <http://www.lohncaulder.com/about-us/privacy-policy/>. By engaging our services, you agree to provide the personal information necessary for us to meet your service requests. You understand that we will use this information to complete and file your tax return(s). Before you provide us with any personal information on behalf of others, you agree that you will have obtained consent for collecting, using and disclosing this information.

Both parties recognize and accept the security risks associated with transferring data electronically via email, the cloud, or otherwise, including but not limited to the lack of security, unreliability of delivery and possible loss of confidentiality and privilege. You may withdraw your consent to the use of electronic communication at any time, by advising us in writing.

You agree that any liability our firm may have to you shall not be joint and several with any other party, but shall be several, and limited to the percentage or degree of our fault in proportion to the fault of all persons who contributed to the loss.



You agree that any and all claims you have against our Firm and its partners, agents or staff arising out of all services provided by us, whether in contract, negligence, or otherwise known to law shall be regarded as one claim and our liability shall be limited to no more than \$8,000. You agree no claim shall be brought against the firm in contract or tort more than three years after the services were completed or terminated.

The arrangements outlined in this letter will continue in effect from year to year until amended by signed agreement.

If you have any questions about the contents of this letter, please raise them with us. If the services outlined are in accordance with your requirements and if the above terms are acceptable to you, please sign the copy of this letter in the space provided and return to us.

Yours very truly,

LOHN CAULDER LLP

Other family members for whom this letter applies:

Name

- 1) _____
- 2) _____
- 3) _____
- 4) _____
- 5) _____
- 6) _____

E-mail

- _____
- _____
- _____
- _____
- _____

Accepted by: _____

Date: _____

